

Statement of Ed Schrock
Chairman
Subcommittee on Regulatory Reform and Oversight
Committee on Small Business
United States House of Representatives
Washington, DC
January 28, 2004

Good afternoon, ladies and gentlemen. In 1996, Congress passed the Small Business Regulatory Enforcement Fairness Act. Part of the act required every agency to develop a policy whereby they would reduce or waive civil penalties in enforcement actions against small businesses, when appropriate. One of the things we have learned from NFIB's surveys is that a majority of small businesses learn about government regulations for the first time "in the normal course of doing business" or when an enforcement action is begun. Compliance assistance is not the same as playing "Gotcha" with a small business. A typical small businessperson is worried about making payroll next week, or renewing health insurance for her employees, or problems with a shipment that is late. She is not sitting at home studying the Federal Register for possible new regulations that may affect her business. She cannot afford to hire someone to handle regulatory compliance. Dealing with the government once a penalty or fine is imposed can be extremely onerous and can throw a typical small business owner's life and livelihood into chaos.

As part of our ongoing oversight of the Small Business Paperwork Relief Act, we are looking at agency enforcement reports today. And we have with us today representatives from EPA, the Departments of Labor and Transportation, and OMB to help us figure out if the federal government is treating small businesses with the sensitivity required. A small businessman or woman that is working hard, providing jobs and growth to our economy, paying their taxes, and trying to comply with the regulations of the federal government should be held harmless for their innocent mistakes. I hope that the enforcement attitude demonstrated by some regulatory agencies is changing for the better.

Additionally, I have long been a crusader against the ever increasing regulatory and paperwork burden imposed upon our small businesses. Our President again repeated his call in the State of the Union when he said, “Our agenda for jobs and growth must help small business owners and employees with relief from needless federal regulation.” That doesn’t sound to me like the President thinks that there is just the right amount of regulation or just the right amount of paperwork imposed by the federal government. It is a call to action. I look forward to working with all of you to implement the President’s agenda for regulatory relief.